WARD ONE RURAL FIRE DISTRICT

Component Unit Financial Statements For the Year Ended December 31, 2013

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY

FOR THE YEAR ENDED DECEMBER 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners Ward One Rural Fire District Delhi, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities of Ward One Rural Fire District, a component unit of the Richland Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements of the Fire District as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

To the Board of Commissioners Ward One Rural Fire District Delhi, Louisiana

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Ward One Rural Fire District, as of December 31, 2013, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurances.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ward One Rural Fire District's basic financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated April 7, 2014, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering the District's internal control over financial reporting and compliance.

David M: Haut, CPA (APAC)

West Monroe, Louisiana April 7, 2014 REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Our discussion and analysis of the Ward One Rural Fire District (the District) financial statements provides an overview of its activities for the year ended December 31, 2013. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets and liabilities) measure the District's financial position. Increases or decreases in the District's net position are an indicator of whether its financial position is improving or not.

The District as a Whole

For the years ended December 31, 2013 and 2012, net position changed as follows:

	2013	2012
Beginning net position	\$ 1,639,832	\$ 1,273,246
Increase in net position	306,246	366,586
Ending net position	\$ 1,946,078	\$1,639,832

The District's Funds

The following schedule presents a summary of revenues and expenses for the years ended December 31, 2013 and 2012:

		Percent of		Percent of
Revenues	2013	Total	2012	Total
Parcel Fees	\$551,054	96.01%	\$573,677	95.40%
Grants & Miscellaneous	12,824	2.23%	19,026	3.16%
State Fire Insurance Rebate	10,053	1.76%	8,631	1.54%
Total Revenues	\$573,931	100.00%	\$601,334	100.00%

		Percent of		Percent of
Expenditures	2013	Total	2012	Total
Public Safety –				
Fire Protection	\$267,685	100.00%	\$234,748	100.00%

BUDGETARY HIGHLIGHTS

The District's total revenues in 2013 were within 5% of the final budgeted revenue. Actual expenditures in 2013 were also within 5% of the budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION Capital Assets

At December 31, 2013, the District had \$1,168,579 invested in capital assets (\$580,630, net of accumulated depreciation) including machinery and equipment and vehicles.

	December 31,			December 31,
Assets	2012	Additions	Disposals	2013
Land	\$ 7,200	·		\$ 7,200
Autos & Equipment	860,655	109,069		969,724
Buildings	191,655	-		191,655
Total at historical cost	1,059,510	109,069		1,161,379
Less: Accumulated Depreciation:				
Autos & Equipment	(428,881)	(98,891)		(527,772)
Buildings	(54,870)	(5,307)		(60,177)
Capital assets, net	\$575,759	\$(104,199)		\$580,630

Debt

At year end, the District had no debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's revenues are derived mainly from property taxes and a variety of grants and state fire insurance rebates. The District is not aware of any significant increases or decreases in those revenues sources or associated expenditures but in light of the current economic volatility, the District must continue to monitor its limited resources to fit the needs of the citizens of Richland Parish and be aware of other funding opportunities that may present themselves.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the funds received by it. If you have any questions about this report or need additional financial information, contact:

Gina Jones, Secretary-Treasurer Post Office Box 475 Delhi, LA 71232

COMPONENT UNIT FINANCIAL STATEMENTS GOVERNMENT-WIDE FINANCIAL STATEMENTS

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY STATEMENT OF NET POSITION DECEMBER 31, 2013

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 232,965
Certificates of Deposit	205,370
Accounts Receivable	499,298
Meter Deposits	200
Capital Assets:	
Non-Depreciable	7,200
Depreciable	573,430
Total Assets	1,518,463
<u>Deferred Outflows of Resources</u>	
Payment to Acquire Two Fire Trucks	453,500
<u>Liabilities</u>	
RP Pension Payable	25,884
Total Liabilities	25,884
Net Position	
Net Investment in Capital Assets	580,629
Net Position - Unrestricted	1,365,449
Total Net Position	\$ 1,946,078

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2013

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities Public Safety	\$ 267,685	\$ 551,054	\$ 199	\$ 10,365	\$ 293,933
					•
		•	General Revenues:		
			Insurance Rebate	1	10,053
			Interest		2,260
			Total General I	Revenues	12,313
			Changes in Net Po	sition	306,246
			Net Position - Beg	inning	1,639,832
			NET POSITION -	ENDING	\$ 1,946,078

COMPONENT UNIT FINANCIAL STATEMENTS FUND FINANCIAL STATEMENTS

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY BALANCE SHEET, GOVERNMENTAL FUNDS DECEMBER 31, 2013

ASSETS

Current Assets				
Cash and Cash Equivalents			\$	232,965
Certificates of Deposit				205,370
Accounts Receivable				499,298
Prepaid Assets Meter Deposits				453,500 200
Weter Deposits				200
TOTAL ASSETS			\$	1,391,333
LIABILITIES AND FUND BALANCE	<u>E</u>			,
<u>Liabilities</u>				
RP Pension Payable			\$	25,884
Fund Balance				
Unassigned				1,365,449
TOTAL LIABILITIES AND FUND B	ALANCE		\$	1,391,333
Reconciliation of the Balance Sheet of the Statement of Net Position	of the Governmental Funds			
Amounts reported for governmental ac different because:	tivities in the Statement of Net Pos	ition are		
Fund Balance, Governmental Funds:			\$	1,365,449
Capital assets used in governmental ac resources and, therefore, are not rep funds.				
	Governmental Assets	1,168,579		
	Less Accumulated Depreciation	(587,950)		
•				580,629
Net Position of Governmental Activitie	25		\$	1,946,078
1.001 Option of Cotoning individu		:	_	1,270,070

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2013

Operating Revenue		
Ad Valorem Tax Revenue	\$	548,279
Grants		10,365
Fire Assessments - Poverty Point		2,775
State Fire Insurance Rebate		10,053
Total Operating Revenuue		571,472
Operating Expenses		
Volunteer Incentives		26,215
Repairs and Maintenance		26,659
Materials and Supplies		10,094
Public Awareness and Education		594
Fuel		6,132
Insurance		18,448
Legal and Accounting		14,579
Uniforms & Safety Equipment		18,177
Utilities		9,400
Pension Expense		25,884
Other		4,904
Capital Outlay		111,469
Total Operating Expenses		272,555
Operating Income		298,917
Non-Operating Revenues (Expenses)		
Interest Income		2,260
Other Income		199
Total Non-Operating Revenues (Expenses)		2,459
Change in Fund Balance		301,376
Fund Balance - Beginning of the Year	1	,064,073
FUND BALANCE - END OF THE YEAR	\$ 1	,365,449

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2013 (CONTINUED)

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities

Amounts reported for gove	rnmental activities	s in the Statemen	nt of Activities
are different because:			

Net change in fund balances - total governmental funds

\$ 301,376

Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets Less current year depreciation 109,069 (104,199)

4,870

Changes in net position of governmental activities

\$ 306,246

INTRODUCTION

Ward One Rural Fire District (the District) was created by resolution of the Richland Parish Police Jury on February 18, 1992, for the purpose of purchasing and maintaining fire equipment and providing fire protection for the people included in the district according to the boundaries set by Richland Parish Police Jury. The District is governed by a board of commissioners consisting of five members. The Commissioners are appointed by the Richland Parish Police Jury and receive compensation of \$30 each for each meeting up to two meetings per month. The District has no employees.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the Richland Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

Note 1 - <u>Summary of Significant Accounting Policies</u>

A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1 - Summary of Significant Accounting Policies - Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund. The District has no proprietary fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 1 - Summary of Significant Accounting Policies - Continued

C. CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the District are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

D. <u>RECEIVABLES AND PAYABLES</u>

Property taxes are levied on a calendar year basis and become delinquent on January 1 of each year. The following is a summary of authorized and levied Parcel Fees:

	Authorized	Levied	Expiration Date
Property Taxes	6.55 Mils	6.55 Mils	2023

Delinquent property taxes are considered fully collectible and therefore no allowance for uncollectible fees is provided.

E. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No construction occurred during the current fiscal year.

Note 1 - Summary of Significant Accounting Policies - Continued

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Estimated

DescriptionUseful LivesBuildings40 YearsAutos and Equipment5-15 Years

F. COMPENSATED ABSENCES

The District is operated by volunteers and therefore has no policy for compensated absences.

G. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. At December 31, 2013, the District had no long-term obligations.

H. FUND EQUITY

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Note 1 - Summary of Significant Accounting Policies - Continued

H. FUND EQUITY (Continued)

Assigned Fund Balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted not committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Stewardship, Compliance, and Accountability

Budget Information: Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during November of each year. During November, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the December meeting. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and one amendment for the year ended December 31, 2013.

Note 3 - <u>Cash and Cash Equivalents</u>

Custodial Credit Risk – deposits. The custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure there is no exposure to this risk is to require the financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2013.

Note 3 - Cash and Cash Equivalents (continued)

The District has cash and cash equivalents (book balances) totaling \$232,965 at December 31, 2013 as follows:

Demand Deposits	\$	75,118
Money Market Accounts		105,445
Certificate of Deposit	-	52,402
TOTAL	•	232 965

The District also has two Certificates of Deposit not considered cash and cash equivalents. Their value at December 31, 2013 totaled \$205,370.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2013, are secured as follows:

	Non-Interest	Time and
Bank Balances	Bearing	Savings
Dank Daiances	\$ 80,381	\$ 363,218
FDIC Insurance - Non-Interest Bearing Accounts	250,000	-
FDIC Insurance – Time & Savings Accounts	-	500,000
Uninsured Amount	<u>\$ -</u>	<u>\$</u>

The accounts are managed by the District's fiscal agent and consist of securities issued or guaranteed by the U.S. government. Investments are in accordance with LRS 33:2955(A)(1)(e) and are not required to be covered by the pledge of securities owned by the fiscal agent bank.

Note 4 - Accounts Receivable

At December 31, 2013, the District's accounts receivable consisted of the following:

Property Tax Receivable	<u>\$ 499,298</u>
Total Accounts Receivable	\$ 499 298

Note 5 - Property, Plant and Equipment

Capital asset activity for the year ended December 31, 2013 and 2012 is as follows:

	December 31, 2012		December 31, 2013	
	<u>Balance</u>	Additions	<u>Deletions</u>	Balance
Non-Depreciable Assets:				
Land	\$ 7,200	\$ -	\$ -	\$ 7,200
Depreciable Assets:	•			ŕ
Autos & Equipment	860,655	109,069	-	969,724
Buildings	_191,655	<u>-</u>		191,655
Totals at Historical Cost	1,052,310	109,069		1,161,379
Less Accumulated Depreciation for:				
Autos & Equipment	(428,881)	(98,812)	-	(527,773)
Buildings	<u>(54,870)</u>	<u>(5,307)</u>	-	<u>(60,177)</u>
Total Accumulated Depreciation	(483,751)	(104,199)	<u> </u>	(587,950)
CAPITAL ASSETS, NET	<u>\$ 575,759</u>	<u>\$_4,870</u>	<u>\$</u>	<u>\$ 580,629</u>

Depreciation expense was \$104,199 in 2013.

Note 6 - Prepaid Assets

During the year, the District prepaid for two fire trucks that are to be received during 2014. One truck was received on March 31, 2014 and the other truck will be ready at the end of 2014. The amount prepaid for these fire trucks was \$453,500.

Note 7 - Subsequent Events

Subsequent events have been evaluated through April 7, 2014, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure, except as noted in Note 6 above.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -

BUDGET TO ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2013

Required Supplemental Information

				Variance With
	Budgeted Amounts		Actual Amounts	Final Budget
	Original	Final	Budgetary Basis	Over(Under)
Revenues				
Taxes:				
Ad valorem tax	484,000	499,298	548,279	48,981
Intergovernmental revenues:				
Fire Insurance rebates	8,700	10,053	10,053	_
Grant Income	29,000	10,365	10,365	-
Fire Assessments - Poverty Point	2,775	2,775	2,775	_
Interest and Dividend Earnings	777	1,240	2,260	1,020
Other revenues	200	200	199	(1)
Total Revenues	525,452	523,931	573,931	50,000
Expenditures				
Volunteer Incentive Payments	22,600	26,215	26,215	_
Repairs and Maintenance	36,550	26,422	26,659	(237)
Supplies Used in Operations	6,753	10,932	11,159	(227)
Fire Prevention Awareness Day	5,000	600	594	6
Board Meeting Compensation	900	1,200	1,170	30
Fuel, Oil, Grease	6,000	6,660	6,132	528
Insurance	30,000	18,448	18,448	_
Utilities	8,550	9,879	9,400	479
Telephone	, <u>-</u>	2	2	<u>-</u>
Uniforms and Safety Equipment	24,000	19,185	18,177	1,008
Dues, Fees & Publications	200	-	-	· <u>-</u>
Office Supplies & Postage	300	1,010	984	26
Pension	18,000	21,000	25,884	(4,884)
Legal and Accounting	8,800	9,078	9,079	(1)
Audit and Review	6,000	5,500	5,500	•
Capital Outlay	111,469	111,469	111,469	-
Training	5,000	2,177	1,683	494
Total Expenditures	290,122	269,777	272,555	(2,778)
Net Change in Fund Balance	235,330	254,154	301,376	47,222
Fund Balance at Beginning of Year	1,064,073	1,064,073	1,064,073	_
Fund Balance at End of Year	\$1,299,403	\$1,318,227	\$ 1,365,449	\$ 47,222

The accompanying notes are an integral part of this financial statement.

WARD ONE RURAL FIRE DISTRICT NOTES TO BUDGET COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2013

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during November of each year. During November, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the December meeting. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and one amendment for the year ended December 31, 2013.

The accompanying notes are an integral part of this financial statement.

OTHER SUPPLEMENTAL SCHEDULES

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS DECEMBER 31, 2013

Board Member	Amount
Charles Clack, President	\$ 210
Richard Lemoine, Vice President	210
Stacey Hutchinson, Fire Chief	90
Joe Keene, Director	150
Allen Henderson, Director	210
Kenneth Hall, Director	90
Gina Jones, Secretary/Treasurer	210
Total	\$ 1,170

COMPLIANCE REPORTING

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners Ward One Rural Fire District Delhi, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Ward One Rural Fire District, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated April 7, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Commissioners Ward One Rural Fire District Delhi, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ward One Rural Fire District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the use of management of Ward One Rural Fire District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

David M. Saud, CPA (APAC)

West Monroe, Louisiana April 7, 2014

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2013

To the Board of Commissioners Ward One Rural Fire District Delhi, Louisiana

Section I-

I have audited the financial statements of Ward One Rural Fire District, a component unit of the Richland Parish Police Jury as of and for the year ended December 31, 2013, and have issued my report thereon dated April 7, 2014. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2013, resulted in an unqualified opinion.

A. Report on Internal Control and Compliance Material to the Financial Statements

Summary of Auditor's Results

	Internal Control Material Weaknessyes X_no Significant Deficiencies not considered to be Material Weaknessesyes X_no
	Compliance Compliance Material to Financial Statementsyes _X_no
B.	Federal Awards – N/A
	Material Weakness Identifiedyesno Significant Deficiencies not considered to be Material Weaknessesyesno
	Type of Opinion on Compliance For Major Programs (No Major Programs) Unqualified Qualified Disclaimer Adverse
	Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)? N/A
C.	Identification of Major Programs: N/A
	Name of Federal Program (or cluster) CFDA Number(s) N/A
	Dollar threshold used to distinguish between Type A and Type B Programs. N/A
	Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - <u>Internal Control and Compliance Material to the Financial Statements</u>

No findings were reported under this section.

Section II - <u>Financial Statement Findings</u>

No findings were reported under this section.

Section III - <u>Management Letter</u>

No management letter was issued.

WARD ONE RURAL FIRE DISTRICT RICHLAND PARISH POLICE JURY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - <u>Internal Control and Compliance Material to the Financial Statements</u>

12-1 Public Bid Law

Condition:

In July 2012, the District purchased a grass fire truck for \$45,955 without advertising for the required sealed bids in violation of the Louisiana State Public Bid Law (LSA-R.S. 38:2212.1A).

Recommendation:

Prior to purchase of materials and supplies, including equipment, vehicles and all moveable property costing more than \$30,000, the District must advertise for bids in the local newspaper. For items greater than \$10,000 but less than \$30,000, the District must obtain at least three telephone, facsimile, or written quotations and document such activities.

Current Status:

The District is following the Louisiana Public Bid Law on all purchases over the stated amounts required by state law.

Section II - <u>Internal Control and Compliance Material to Federal Awards</u>

This section is not applicable for this entity.

Section III - Management Letter

This section is not applicable for this entity.